

1201 Pine Street | Eldorado, Illinois 62930 Phone (618) 273-3361 | Fax (618) 273-2571

RECEIVED

MAR 0 2 2018

HEALTH FACILITIES & SERVICES REVIEW BOARD

March 1, 2018

Ms. Courtney R. Avery, Administrator Illinois Health Facilities and Services Review Board 525 West Jefferson Street, 2<sup>nd</sup> Floor Springfield, Illinois 62731

RE: Annual Progress Report (Section 1130.760)
CON Permit #16-048
Ferrell Hospital
Modernization and Expansion Project

Dear Ms. Avery,

Our first Annual Progress Report is being submitted consistent with Section 1130.760 and our Permit Letter dated March 15, 2017. Our project has progressed and we are awaiting funding from the USDA. The application has been forwarded to the Illinois State Office USDA Rural Development for review. See email dated February 9, 2018 from Leeann Denny, Area Specialist with USDA, upon approval, the application will be forwarded to the USDA Rural Development Office in Washington, DC. After a federal review process, a letter of conditions is anticipated.

Components of the project, which have been completed, include contracting with the following: a financial advisor, Innovative Capital; Architect, David E. Johnson; Program Manager, Adams Group and Construction Manager, Doster as members of our team. Weekly meetings with this team have been established to update all parties of the progress being made on the project to the point of loan approval to begin construction.

Costs to date are included on Exhibit A as of March 1, 2018. Should you have additional questions, please contact me at 618-297-9615 or by email at <a href="mailto:acoleman@ferrellhospital.org">acoleman@ferrellhospital.org</a>.

Respectfully submitted by,

Alica Coleman CEO

Enclosure: Attachment A, Expended Funds Email from Leeann Denny, Area Specialist, USDA

cc: Kathryn J. Olston, Chair Mike Constantino, Supervisor, Project Review Section Andrea Chelboun, Healthcare Futures Ed McGrath, Healthcare Futures Ed Parkhurst, Consult Prism

## Exhibit A CON Permit 16-048 Expended Funds

PROJECT COSTS AND SOURCES OF FUNDS				
( <b>1.0.0</b> )	APPROVED	CURRENT PROJECT EXPENDITURES AS OF		
USE OF FUNDS	PROJECT COST	3-1-2018	VARIANCE	
Preplanning Costs	61,360	-	61,360.00	
Site Survey and Soil Investigation	19,970	25,390.00	(5,420.00)	
Site Preparation	-	-		
Off Site Work		-	-	
New Construction Contracts	20,100,110	-	20,100,110.00	
Modernization Contracts	1,713,198	-	_1,713,198.00	
Contingencies				
New Construction	2,010,011	-	2,010,011.00	
Modernization	256,980	-	256,980.00	
Architectural/Engineering Fees	1,319,705	1,217,036.14	102,668.86	
Consulting and Other Fees	1,153,213	433,776.69	719,436.31	
Movable or Other Equipment (notin construction contracts)	4,463,172	-	4,463,172.00	
Bond Issuance Expense (project related)	4,240,192	133,850.42	4,106,341.58	
Net Interest ExpenseDuring Construction	1,692,865	-	1,692,865.00	
Fair Market Value of Leased Space or Equipment	-	•	-	
Other Costs To Be Capitalized	322,890	155,692.29	167,197.71	
Acquisition of Building or Other Property (excluding land)	-	•	-	
TOTAL USES OF FUNDS	\$ 37,353,666	\$ 1,965,745.54	\$ 35,387,920.46	

### Alisa Coleman

From:

Denny, Leeann - RD, Marion, IL < Leeann. Denny@il.usda.gov>

Sent:

Friday, February 09, 2018 2:53 PM

To: Cc: Jonathan Stern Alisa Coleman

Subject:

RE: Ferrell

I am happy to report the entire package went to state office last night via UPS. Since I am sure they will have additional questions we can always adjust it before DC if we need to. Everyone have a good weekend.

Leeann

From: Jonathan Stern [mailto:jstern@innovativecapital.com]

Sent: Friday, February 09, 2018 2:35 PM

To: Denny, Leeann - RD, Marion, IL < Leeann. Denny@il.usda.gov>

Subject: Ferrell

Leeann:

Is it safe to say the last piece of the puzzle is determining the Loan Amount? We have a Board Meeting on Monday to make that decision. If they decide to increase the Loan Amount, what mechanically has to be done to make that happen? Thanks.

Jon

#### InnoValue CAPITAL

Jonathan M. Stern Vice President Tel: 610-543-2490, Ext. 103 jstern@innovativecapital.com

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Respectfully submitted by,

Alisa Coleman, CEO

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cc: Kathryn J. Olston, Chair Mike Constantino, Supervisor, Project Review Section Andrea Chelboun, Healthcare Futures Ed McGrath, Healthcare Futures Ed Parkhurst, Consult Prism

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	APPROVED	EXPENDITURES AS OF		
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Preplanning Costs	61,360	-	61,360.00	
Site Survey and Soil Investigation	19,970	25,390.00	(5,420.00)	
Site Preparation	-	-	-	
Off Site Work			-	
New Construction Contracts	20,100,110	-	20,100,110.00	
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Denny, Leeann - RD, Marion, IL < Leeann.Denny@il.usda.gov>

Fri 2/9/2018 2:53 PM

To:Jonathan Stern < jstern@innovativecapital.com>;

Cc:Alisa Coleman <acoleman@ferrellhospital.org>;

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